Claims 22 and 27 have been rejected under 35 USC 112, second paragraph, as being "indefinite." These claims have been amended to overcome the rejections raised. In particular, the limitation said to lack antecedent basis has been expressed in a manner in which antecedent basis is not required. Claim 27 has also been amended so as to overcome the objection raised. Again, the Examiner is thanked for her help.

Claims 1, 4 and 7-12 have been rejected under 35 USC 103(a) as obvious over Maritzen et al. (US 5,987,429). Further, claims 2, 3, 5, 6, and 13-33 have been rejected under 35 USC 103(a) as being unpatentable over the Maritzen et al. patent "in view of Boesch et al. (US 5,897,621), and further in view of Westrope et al. (US 5,968,110), of record." These rejections are respectfully traversed although, as explained in more detail below, independent claim 27 has been amended so as to more clearly define over the cited references and two further independent claims based on claim 27 have been added.

Turning first to independent claim 1, the Maritzen et al. patent relied on in rejecting this claim discloses a computer-based fee processing system for electronic commerce. The Maritzen et al. patent is specifically directed to calculating general taxes and fees, based on a tax rule database and a fee rule database, which apply to transaction objects in electronic commerce. In the course of a transaction, a tax/fee liability is identified, the tax/fee to be paid is computed, the relative tax law is identified, and the tax/fee information is stored into a payment database. The fee payment operation (indicated at 108) identifies the appropriate government entity which is to be paid taxes, and the amount of taxes due. The fee payment operation also identifies the individual recipient who is to be paid fees and the amount of fees due. The fee payment operation checks the method of payment, makes the appropriate payment and subsequently marks the objects as being paid in the payment database.

In the Maritzen et al. patent, module 124 performs the tax or fee calculation. The module retrieves a fixed fee or rate from a corresponding rule database and applies the fixed fee or rate to the object transaction. The module also calculates the

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tax or fee due by multiplying the retrieved rate by the purchase price of an object. After the tax or fee is calculated, the value is stored into a payment database and then processed by the fee payment operation, as described above.

Given the actual teachings of the Maritzen et al patent, it is respectfully submitted that claim 1 patentably distinguishes over the system described in the Maritzen et al. patent. As the examiner correctly noted, the Maritzen et al. patent does not teach a request for a total landed cost of an item from a requester. In the Maritzen et al. patent no initial search for a product or object to purchase is provided and, in this regard, it is assumed in the patent that the buyer has already found a desired product or object.

Further, as indicated above, the Maritzen et al. patent is concerned with calculating and paying taxes and fees due based on the requirements of various jurisdictions. The patent does not disclose or suggest determining a total landed cost of a purchase based on an initial cost and trade costs of a seller item. The teachings of the Maritzen et al. patent are limited to calculating the taxes and fees for each transaction from a tax/fee rule database, totaling the taxes or fees due to each payee and disbursing payment to each payee. The only total sums calculated are those taxes/fees due to each recipient payee. As described above, a module retrieves an appropriate fixed fee or rate from a rule database and applies the fixed fee or rate to the event or calculates the tax or fee due by multiplying the retrieved rate times the purchase price of the object. The purchase price of the object is only used to determine the proper taxes or fees due. The purchase price of the object is not added to the taxes or fees in determining the total taxes or fees due. In addition, there is no provision for adding a value for duty to a purchase price of an object.

As stated in column 1, lines 10-14 of the Maritzen et al. patent, "the invention relates to tracking electronic transactions through multiple phases of the transaction occurring in multiple transaction locations, computing the correct taxes and fees and paying those taxes to the appropriate recipient." In contrast, in accordance with the present invention as claimed in claim 1, a total landed cost is determined which is representative of the initial cost of a seller item added to the trade costs of that item.

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This feature is neither taught by nor obvious from the teachings of the Maritzen et al. patent.

In summary, the Maritzen et al. reference does not teach or suggest receiving a request for a total landed cost from a requester, nor adding trade costs to the initial cost of a seller item to produce a total landed cost and, for the reasons set forth above, it is respectfully submitted that claim 1 patentably defines over the Maritzen et al. patent. Accordingly, reconsideration of the rejection of claim 1 and allowance thereof are respectfully solicited.

The claims which are dependent on claim 1 further distinguish the present invention from the system of the Maritzen et al. patent. For example, claim 4 recites the step of displaying, to the requester, the total landed cost. An important advantage of displaying a total landed cost to a buyer (requester) is that it allows the buyer to make an informed decision before making a purchase. This decision will be based on the total cost of a product or object including the initial cost of the product and any trade costs involved, and by displaying the total landed cost, the buyer is able to immediately see the total costs that will be incurred in connection with the purchase and can, for example, compare this figure with the total costs of other products and/or compare this with the amount budgeted for the product purchase. As indicated above, the Maritzen et al. patent discloses a payment operation which identifies the payee, the amount of payment based on a particular transaction, and the method of payment, and then makes the necessary payment. The Maritzen et al. patent does not disclose displaying a total landed cost of a seller item, but is rather concerned with a payment process for identifying, checking and paying.

With respect to the rejection of claims 2, 3, 5, 6, and 13-33, it is respectfully submitted that the Boesch et al. and Westrope et al. patents do not make up for the deficiencies of the Maritzen et al. patent as a reference against these claims.

The Boesch et al. patent appears to have been cited because of the teachings thereof concerning an aspect of the invention that is claimed in some of the dependent claims and it is respectfully submitted that the patent is of limited relevance even with respect to that aspect. The Boesch et al. patent discloses a

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method of currency conversion between a retail customer and a merchant. A server is used for receiving a first set of data and a second set of data, for converting an amount in a first currency into a converted amount in a second currency and for approving the transaction when the converted amount in the second currency is at least equal to the product price in the second currency in accordance with current exchange rates.

In the present invention, currency conversion is executed on a database server as part of a calculation for a total landed cost. Therefore, when a buyer (requester) makes a request for a total landed cost of an item, the total landed cost is calculated based on the proper currency conversion. The server does not approve the transaction based on a currency conversion differential of two currencies being within a prescribed range and, unlike the Boesch et al. patent, the present invention does not require that the user and merchant computers maintain datasets which are sent to a server.

The Westrope et al. patent appears to have been cited because of the apparent relevance thereof to independent claim 15 which recites, inter alia, searching a national procurement electronic catalog and placing an item into categories based on national standard classification codes. The patent discloses a method and apparatus for an interactive, computerized catalog system in which a customer can selectively access video and audio catalog data from a computerized catalog memory. Unlike the method of the present invention, the method disclosed in the Westrope et al. patent lacks a standard or universal format for storing items based on national standard classification codes. In the Westrope et al. patent, the electronic product catalog data is digitized in a data entry system (e.g., a document scanner, or encoder) which converts graphic data into digital video data that is then stored in memory. A customer has the option of selecting or specifying a particular catalog or service from a menu which lists various types of catalogs, products and services offered on the system.

The Westrope et al. method is essentially a turnkey catalog operation in which a first catalog processor is located in one country and a second catalog processor is

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located in another country. Such a two-way catalog system requires the duplication of the structure and function of an online interactive system. Items are then placed in the memory of each catalog order processor. As indicated above, the customer then selects, from the designated order processor, a particular catalog, product or service.

In accordance with the present invention as claimed in claim 15, items are placed into categories based on national standard classification codes. This results in a universal, standardized, electronic catalog system. By providing national standard classification codes, all of the product catalogs are in the same format and thus may be quickly and efficiently searched. Among the advantages of such a universal system are that it reduces the costs of, and need for, duplicating systems and components, accommodates any type of product information, eliminates the requirement for highly expensive catalog aggregators that are now necessary with state of the art systems and provides efficient processing. It will be appreciated that the use of "universal" national standard classification codes implicitly requires a new and fundamentally different e-commerce system wherein all of the product catalogs in the system would be in conformance with the national classification codes in order to enable quick and efficient searching.

In summary regarding claim 15, none of the references relied on in the rejection of the claim disclose creating and searching a national procurement electronic catalog including placing an item into categories based on national classification codes and, given the actual teachings of these references, it is respectfully submitted that claim 15 patentably defines over any potential combination of the references based on these teachings.

The claims dependent on claim 15 set forth further important features of the invention. For example, the Westrope et al. patent does not teach or suggest the step of returning, through the network, items within the standard classification code, as claimed in claim 16. In this regard, the Westrope et al. patent teaches, in column 10, lines 47-62, returning goods for warranty or customer dissatisfaction reasons. More specifically, the product is returned and a determination is made as to whether to issue a refund to the customer or ship a new product. In the present invention, the

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system receives a search request containing a national standard classification code and items within that classification code are returned. Thus, it is the searched items within a classification code that are returned, in contrast to the Westrope et al. patent which simply provides for the return of defective or unsatisfactory items for credit or exchange.

As indicated above, independent claim 27 has been amended in order to more clearly distinguish over the prior art and thus expedite the prosecution. More specifically, claim 27 has been amended to include key limitations of claim 15 and recites, _inter alia_, an electronic catalog for receiving item information and provides that the item information is placed into categories based on national standard classification codes.

Claim 27 also recites the use of a dedicated network which couples together a plurality of country specific systems and an electronic commerce program which uses the electronic catalog for facilitating country to country trade.

The Westrope et al. patent discusses the difficulty of facilitating country to country trade and notes that establishing a catalog business in a foreign country would require a substantial expenditure to create the required infrastructure and develop the necessary expertise to do business in that country. The patent also refers to the concerns that customers would have about duties, taxes and exchange rates when engaging in foreign trade. In an effort to address these issues, the Westrope et al. patent provides an approach wherein individual foreign companies interface with their customers, with the individual foreign companies representing other respective foreign affiliates. As a consequence, several additional processing steps are required to effectuate, for example, the ordering, by a Canadian customer, of a product of a U.S. based company for delivery to the Canadian customer.

In the present invention, the dedicated network and the electronic commerce program using the electronic catalog as claimed, significantly reduce the costs, complexity and expended time normally associated with engaging in foreign trade. For these reasons and those set forth above in support of the patentability of claim

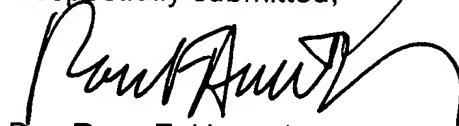15, it is respectfully submitted that claim 27, as amended, patentably defines over the references cited.

New claim 36 is also based on original claim 27 and also includes key limitations of claim 1. In this regard, claim 36 recites, inter alia, an electronic commerce program, residing within the application server of the claimed system, which determines, based at least on information from a database of a data server computer containing country trade variables, trade costs associated with a purchase based on initial cost of a seller item. The program does this in response to a request, made through the dedicated network coupling country specific systems together, for a total landed cost of the purchase, and adds the trade costs to the initial cost to produce the total landed cost. Claim 36 is patentable at least for the reasons set forth above in support of the patentability of claim 1 as well as some of the more general reasons set forth above in support of the patentability of amended claim 27 (i.e., those not specifically involving the use of an electronic catalog per se).

Finally, new independent claim 43 is also based on original claim 27 but also includes key features of claim 1 relating to producing a total landed cost and of claim 15 relating to the use of an electronic catalog as claimed. Thus, claim 43 is patentable for the reasons set forth above in support of the patentability of claims 1, 15 and amended claim 27.

As indicated above, the dependent claims also set forth a number of patentable features and some of these features were discussed previously. However, dependent claims 2-14, 16-26, 28-35, 37-42 and 44-50 are allowable at least for the reasons set forth above with respect to the patentability of the independent claims on which they depend.

Allowance of the application in its present form is respectfully solicited.

Respectfully submitted,

Date: May 16, 2002

By: Ross F. Hunt, Jr.
Registration No.: 24,082

ATTACHMENT B

Marked Up Replacement Claims

Following herewith is a marked up copy of each rewritten claim.

22. (AMENDED) The method of claim 21, further comprising the steps of:

performing an exchange rate calculation using the initial cost of the item and the type of currency the requester prefers and the type of currency the seller prefers, determining tariff for the item based on the country the item is to be shipped from and the country the item is to be shipped to,

determining delivery costs associated with the item based on the country the item is to be shipped from and the country the item is to be shipped to,

calculating value for ~~the~~ duty to be added to the initial cost based on the country the item is to be shipped from and the country the item is to be shipped to,

calculating valued added taxes based on the country the item is to be shipped from and the country the item is to be shipped to, and

arriving at the total landed cost by adding to the total initial cost the value for the duty, the value added taxes, the tariff, and the delivery costs.

27. (AMENDED) A system for facilitating worldwide commercial business to business and government electronic commerce based on national deployment, said system comprising:

<u>a plurality of country specific systems; and</u>

a dedicated network coupling ~~a plurality of country specific systems; and~~ <u>together said</u> ~~a~~ plurality of country specific systems, <u>each of said</u> plurality of country specific systems including:

an application server computer;

a data server computer having a database containing subscriber information and a database containing country trade variables, said data server computer being connected to said application server computer;

an electronic catalog for receiving item information, said item information being placed into categories in said catalog based on national standard classification codes; and

an electronic commerce program, residing within said application server, for facilitating country to country trade, using said electronic catalog.

33.   (AMENDED) The system ~~for~~ of claim 27, wherein country trade variables comprise a tariff, a value added tax, a delivery cost, trading partner agreements, and a duty.

marked claims